

# INSTRUCTIONS: RENEWAL APPLICATION FOR LICENSURE

Virginia Department of Social Services  
Division of Licensing Programs

## RENEWAL APPLICATION FOR LICENSURE OF A CHILD WELFARE AGENCY, ASSISTED LIVING FACILITY, OR ADULT DAY CARE CENTER

**NOTE:** A “child welfare agency” means a child day center, child-placing agency, children's residential facility, family day home, family day system, or independent foster home. (§ 63.2-100 Code of Virginia)

### Required Submissions

#### Part I – Applicant Information

1. All applicants must complete and submit page 1, the top portion of page 2, pages 9 and 10, and
2. Applicants who are **individuals/sole proprietors**, must also complete and submit Subsection A of page 2 and the required attachments (do not submit pages 3, 4, 5, 6, 7, or 8)
3. Applicants that are **partnerships**, must also complete and submit page 3 and the required attachments (do not submit pages 4, 5, 6, 7, or 8)
4. Applicants that are **corporations**, must also complete and submit page 4 and the required attachments (do not submit pages 3, 5, 6, 7, or 8)
5. Applicants that are **associations**, must also complete and submit page 5 and the required attachments (do not submit pages 3, 4, 6, 7, or 8)
6. Applicants that are **limited liability companies** (LLC), must also complete and submit page 6 and the required attachments (do not submit pages 3, 4, 5, 7, or 8)
7. Applicants that are **public agencies**, must also complete and submit page 7 and the required attachments (do not submit pages 3, 4, 5, 6, or 8)
8. Applicants that are **business trusts**, must also complete and submit page 8 and the required attachments (do not submit pages 3, 4, 5, 6, or 7)

**NOTE:** To conduct business in Virginia, corporations and limited liability companies (LLCs) must have a current certificate of authority issued by the Virginia State Corporation Commission. Corporations and LLCs cannot be licensed as those business types without a current certificate of authority.

#### Part I - Attachments

##### Three Reference Letters

- Required for any new officers of a corporation, members of LLCs, partners, etc. and agents who have not previously submitted the reference letters  
Exception: Public agencies are not required to submit reference letters

## Personal Qualifying Information Form

- Required for all new officers of a corporation, members of LLCs, partners, etc. and agents who have not previously submitted this information if the person has within the last 10 years served as either a voting officer, director, or a principal stockholder of any child welfare, assisted living, adult day care, nursing home, behavioral or mental health facility, program or agency requiring licensure in Virginia or in another state

Exception: Public agencies are not required to submit Personal Qualifying Information forms

- A renewal application will be considered complete without the required Personal Qualifying Information form if an applicant/agent can document that he has requested information from another state in which he has been affiliated with a licensed human care facility, but that state has not submitted the requested information. Documented requests would include a copy of letter mailed or a copy of the envelope addressed to the facility, postal receipt, fax, or an email showing the form attached.

## Financial Information – General

- **How will the financial information be used?**

It will be used by the Licensing Inspector to investigate the applicant's financial responsibility as required by § 63.2-1702 of the Code of Virginia. Financial responsibility is determined by comparing income and expenses for the facility (budget) to see if expenses far exceed income and by comparing liabilities and assets (balance sheet) to see if what is owed far exceeds assets. Based on this investigation, the inspector may discuss the financial situation with provider to determine how the licensee is planning to keep the business operational and check carefully for things potentially affected by lack of funds e.g., food supplies, heat/cooling, staff salaries, car inspection, etc. Applications for licensure renewal will not be denied based solely on the financial information submitted

- **How is financial information protected?**

1. It is maintained confidentially in the provider's record at the Licensing Office;
2. If it has not been published, it is proprietary information and not required to be released by the Division of Licensing Programs under the Freedom of Information Act (FOIA). To further protect the privacy of the information, it is suggested that applicants mark "Confidential" on the documents submitted;
3. Publicly traded corporations are required by law to make much of their financial information available to the public so their financial information would be released if a FOIA request was received by the Division of Licensing Programs.

- **Where could an applicant get help with preparing the financial documents?**

Applicants could seek help from an accountant, one of the state provider associations, or another provider. There are also multiple websites for businesses including -

The federal Small Business Administration at:

<http://www.sba.gov/content/financial-statements>

Governor McDonnell's Business One Stop at: <http://www.bos.virginia.gov/>

The Virginia Dept. of Business Assistance at:

[http://www.dba.virginia.gov/starting\\_business.shtml](http://www.dba.virginia.gov/starting_business.shtml) and at:

<http://www.dba.virginia.gov/vsbfa.shtml>

Information for starting a day care business at:

<http://www.bing.com/search?q=starting+a+day+care+business+in+virginia&src=IE-SearchBox&Form=IE8SRC&adlt=strict>

## **Balance Sheet**

- Required for all applicants.

Exceptions:

1. A family day home and an independent foster home are to submit the "Financial Statement/Budget for Licensed Family Day Homes and Independent Foster Homes."
2. A child welfare agency may instead submit a current balance sheet and income statement accompanied by a letter from a certified public accountant certifying the accuracy thereof and three credit references.  
If an applicant chooses this option, two of the credit references must be from banks and/or one of the three credit agencies, *TransUnion*, *Equifax*, or *Experian*; one of the credit references may be from a service vendor such as a commercial food sales company, a utility company, etc.
3. A public agency is to submit documentation of appropriated revenue and projected expenses for the coming year.

- The balance sheet form on the public website contains the information required for renewal. It is a model form so applicants may submit their own balance sheet or one from their accountant as long as the balance sheet contains information similar to that on the model form.
- If a corporation operates multiple facilities and one or more facilities financially support another, the applicant may submit the same balance sheet for multiple facilities if the facilities share assets/liabilities.

## Annual Operating Statement/Working Budget

- Required for all applicants

Exceptions:

1. A family day home and an independent foster home are to submit the “Financial Statement/Budget for Licensed Family Day Homes and Independent Foster Homes.”
  2. A child welfare agency may instead submit a current balance sheet and income statement accompanied by a letter from a certified public accountant certifying the accuracy thereof and three credit references.  
If an applicant chooses this option, two of the credit references must be from banks and/or one of the three credit agencies, *TransUnion*, *Equifax*, or *Experian*; one of the credit references may be from a service vendor such as a commercial food sales company, a utility company, etc.
  3. A public agency is to submit documentation of appropriated revenue and projected expenses for the coming year
- The budget form on the public website contains the information required for renewal. It is a model form so applicants may submit their own budget or one from their accountant as long as the budget contains information similar to that on the model form.
  - If a facility does not use a line item (such as contractual services), the applicant can leave that section blank or write “NA” in the space.
  - If a corporation operates multiple facilities and one or more facilities financially support another, the applicant may not submit one combined budget for all facilities; the budget submitted must reflect the income and expenses for each licensed facility.
  - If the applicant operates, for example, an assisted living facility, nursing home, and independent living facility in the same building or on the same property, the applicant does not have to separate out all the expenses (e.g., depreciation, vehicles, furniture, liability insurance) for the assisted living facility.

## Part II – Program Addendum

**All applicants must submit the addendum and required addendum attachments for their program type (child day center, assisted living facility, etc.).**

Background Checks are required for all applicants

- An applicant for licensure to operate an assisted living facility or a children's residential facility has to have a background check one time. Current background checks must be submitted for any new officers/members/partners and agents whose background checks have not previously been submitted.
- Child welfare agency licensees (except children's residential facilities) are required by regulation to repeat background checks every three years. Background checks (sworn statement, central registry check, and criminal history record check) for officers/members/partners of current corporate/limited liability company/partnership licensees and agents are considered current if the checks are no older than three years. Background checks must also be submitted for any new officers/members/partners and agents whose background checks have not previously been submitted.

### Family Day Homes – Contact with Local Zoning Administrator

1. If the zoning administrator indicates on the contact form (or otherwise communicates to Licensing) that:
  - Under no circumstances will local zoning allow more than x number of children, the license will not be renewed for more than x number of children; or
  - A special/conditional use permit is required, but with the special/conditional use permit, the licensee could have her current number of children, the renewal license may be issued for the current capacity if the family day home licensee provides documentation that she has applied for the special/conditional use permit. At the next inspection, the licensing inspector will inquire about the status of the permit. In most localities, a decision should have been made on the request for the permit. The licensee may have received a letter from Zoning that states the capacity allowed or she can have the Zoning Administrator complete another "Contact with Local Zoning Administrator" form to verify the capacity allowed. If the capacity must be reduced per instructions from the zoning administrator, the change will be handled as a modification to the license.
2. The zoning form is to be submitted just the first time the licensee submits a renewal (if it was not submitted with the initial application for licensure). One contact with the Zoning Administrator is sufficient unless the family day home relocates.

3. A family day home provider who already has a special/conditional use permit from local zoning does not need to have the Contact with Local Zoning form completed at renewal if there is documentation of the special/conditional use permit.

### **Part III - Fees**

**All applicants (except those submitting a renewal application following a conditional license) must submit the appropriate application/annual fee (see page 10 of the application for amounts).**

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### **SPECIAL INSTRUCTIONS:**

#### **APPLICATION AT THE END OF CONDITIONAL LICENSURE**

Current licensees who are submitting a renewal application at the end of a conditional license are required to submit a complete renewal application except for the following:

- Annual operating statement/working budget;
- Balance sheet;
- Financial Statement/Budget for Licensed Family Day Homes and Independent Foster Homes;
- Background checks. However, if a new officer of a corporation, member of an LLC, partner, etc. has been appointed since the initial application was submitted, background checks, references, and Personal Qualifying Information (if applicable) are required for that individual.

No fee is required for an application following a conditional license.

#### **APPLICATION AT THE END OF PROVISIONAL LICENSURE**

Current licensees who are submitting a renewal application at the end of a conditional license are required to submit a complete renewal application and the appropriate fee.

#### **FAMILY DAY HOME OR SHORT-TERM CHILD DAY CENTER MOVING TO A NEW LOCATION**

Current licensees who are operating a family day home or a short-term child day center and are submitting a renewal application because the facility is moving to a new location are required to submit a complete renewal application and the appropriate fee.

## CODE OF VIRGINIA

### **§ 63.2-1702 Investigation on receipt of application [for licensure].**

Upon receipt of the application the Commissioner shall cause an investigation to be made of the activities, services and facilities of the applicant, of the applicant's financial responsibility, and of his character and reputation or, if the applicant is an association, partnership, limited liability company or corporation, the character and reputation of its officers and agents. In the case of child welfare agencies, the financial records of an applicant shall not be subject to inspection if the applicant submits a current balance sheet and income statement accompanied by a letter from a certified public accountant certifying the accuracy thereof and three credit references. In the case of child welfare agencies and assisted living facilities, the character and reputation investigation upon application shall include background checks pursuant to § 63.2-1721; however, a children's residential facility shall comply with the background check requirements contained in § 63.2-1726.

### **§ 63.2-1707. Issuance or refusal of license; notification; provisional and conditional licenses.**

Upon completion of his investigation, the Commissioner shall issue an appropriate license to the applicant if (i) the applicant has made adequate provision for such activities, services and facilities as are reasonably conducive to the welfare of the residents, participants or children over whom he may have custody or control; (ii) the applicant has submitted satisfactory documentation of financial responsibility such as, but not limited to, a letter of credit, a certified financial statement, or similar documents; (iii) he is, or the officers and agents of the applicant if it is an association, partnership, limited liability company or corporation are, of good character and reputation; and (iv) the applicant and agents comply with the provisions of this subtitle. Otherwise, the license shall be denied. Immediately upon taking final action, the Commissioner shall notify the applicant of such action.

Upon completion of the investigation for the renewal of a license, the Commissioner may issue a provisional license to any applicant if the applicant is temporarily unable to comply with all of the licensure requirements. The provisional license may be renewed, but the issuance of a provisional license and any renewals thereof shall be for no longer a period than six successive months. A copy of the provisional license shall be prominently displayed by the provider at each public entrance of the subject facility and shall be printed in a clear and legible size and style. In addition, the facility shall be required to prominently display next to the posted provisional license a notice that a description of specific violations of licensing standards to be corrected and the deadline for completion of such corrections is available for inspection at the facility and on the facility's website, if applicable.

At the discretion of the Commissioner, a conditional license may be issued to an applicant to operate a new facility in order to permit the applicant to demonstrate compliance with licensure requirements. Such conditional license may be renewed, but the issuance of a conditional license and any renewals thereof shall be for no longer a period than six successive months.